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Grassley Urges Action on E.U. Biotech Moratorium

WASHINGTON – Sen. Chuck Grassley, incoming chairman of the Committee on Finance, and six other senators today sent a letter to President Bush asking the President to act on the European Union's moratorium on U.S. biotech products. Grassley initiated the letter out of a longstanding concern about this issue and after talking with the U.S. trade representative about it.

The text of the letter follows.

December 19, 2002

The Honorable George W. Bush
President
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mr. President:

We are aware that your Administration is considering the initiation of dispute settlement procedures in the WTO against the four and a half year- long EU moratorium on approval of United States biotech products. We urge you to take that step without delay.

Despite repeated assurances from European officials that the moratorium would be lifted, there is no indication that this will happen in the foreseeable future. Indeed, the situation continues to worsen. The EU Council of Agriculture Ministers recently adopted a proposal that, if it becomes law, would subject biotech-derived feed and foods to the same approval procedure that has stopped imports of biotech-improved corn, and would greatly expand the scope of mandatory labeling of products derived from crops improved through biotechnology. The Council of Environment Ministers has also adopted traceability requirements that will require complete segregation of biotech and non-biotech products, which is virtually impossible.

Not only has the EU moratorium on biotech product approvals cost the U.S. \$300 million annually in corn exports, it has also had a chilling effect on the sales of all biotech products in the EU. Moreover, EU policies towards biotechnology are affecting U.S. export markets around the

world. A number of countries have adopted mirroring legislation, and others have begun to restrict the marketing of U.S. biotech products in order to protect their export markets in the EU. We recently witnessed the most extreme manifestation of this when African countries in the midst of a serious famine began to refuse U.S. food aid, because they accepted the faulty logic and misinformation behind the EU's unwarranted moratorium.

United States biotech-derived feed and foods have undergone comprehensive and rigorous assessments to validate their safety. No credible scientific challenge has ever been mounted to the safety of our approved biotech products. In fact, the European Commission has officially acknowledged the safety of these products. On August 23, 2002, the Commission itself stated: "For the EU, there is no reason to believe that GM food is inherently unsafe to human health."

In addition to their widely acknowledged safety, U.S. biotech products have the potential to efficiently provide for the nutritional needs of the more than one billion people in developing nations who live on less than \$1 a day. Yet, in spite of the compelling, irrefutable evidence pointing to the safety and the cost-effective, high nutritional value of various biotech food products, the EU still persists in advocating an unreasonable regulatory scheme that has the effect of completely blocking trade.

A dispute settlement case against the moratorium will put the EU, and other countries that are tempted to follow its example, on notice that the U.S. intends to hold them to their WTO obligations with respect to biotech regulatory policy. The price of inaction will be the continued proliferation of unfair and unscientific trade restrictions to the detriment of United States agriculture, the world's consumers, and the environment.

Thank you for your attention to this critical issue. We look forward to your reply.

Sincerely,

Chuck Grassley
Max Baucus
Kit Bond
Pat Roberts
Chuck Hagel
Tom Harkin
Thad Cochran

U.S. Senate